

LEGISLATIVE FISCAL OFFICE

Fiscal Note

Fiscal Note On: HB 658 HLS 09RS 556

Bill Text Version: ENGROSSED

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:



Date: May 26, 2009	8:45 AM	Author: ROY
Dept./Agy.: Workforce Commission		
Subject: worker Compensation Prescriptive Period		Analyst: Deborah Vivien

WORKERS COMPENSATION

EG +\$225,000 SG EX See Note

Page 1 of 1

Provides relative to the prescriptive period for claiming workers' compensation benefits

Current law limits the prescriptive period of filing a claim for workers’ compensation benefits for personal injury to two years following the injury unless a formal filing occurs or the parties agree to payments.

Proposed law expands the prescriptive period for personal injury from two years to three years following the injury.

Effective upon governor's signature.

EXPENDITURES	2009-10	2010-11	2011-12	2012-13	2013-14	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$1,125,000
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$1,125,000

REVENUES	2009-10	2010-11	2011-12	2012-13	2013-14	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The state self-insures worker’s compensation benefits for state workers through the Office of Risk Management using premiums paid by agencies (interagency transfers) and investment earnings on funds (self-generated revenue). Based on historical claims, less than 1% of claims have exceeded two years. With FY 07/08 claims of \$22,496,608, increasing the prescriptive period for personal injuries from two to three years is expected to obligate an additional \$225,000 in indemnity benefits per year (\$22,496,608 * 1%).

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

Dual Referral Rules

House

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

Gregory V. Albrecht
Chief Economist